



## **Michigan Infrastructure Asset Management Pilot**

# **Monthly NEWSLETTER**





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## **Data Collection has begun**

Data is being collected direct from communities and utilities in West Michigan and Southeast Michigan that will serve as a demonstration for a statewide system of transportation, water, sewer, and stormwater assets and capital projects.

The Pilot is in its seventh month and is now in the data collection phase, with a goal of a system demonstration and final report to the Governor by April 2018. This crucial phase began months ago with over 120 subject matter experts, stakeholders, and pilot advisory board members working diligently to compile a Data Request Packet. The packet will help collect data necessary from volunteer communities to develop a system that will test our understanding of our assets and potential coordinated decision making that could result from the integration of multiple assets at local, regional, and the state level.

The Pilot Team has worked diligently to identify and ensure safety and security protocols for all data related to this initiative. The security of the data is a priority to this pilot. Data collected during the pilot will be stored by the Michigan Department of Technology, Management and Budget on behalf of the Michigan State Police (MSP) as they have significant expertise in keeping sensitive infrastructure data secure and are well equipped to handle any requests for information with the highest levels of discretion.

All data is requested by **November 1, 2017**. If you are interested in participating in this pilot, please contact the following individual in your region:

- Region 4 West Michigan Prosperity Region Jason Moore, Moorej@gvmc.org
- Region 10 Detroit Metro Prosperity Region Ann Burns, burns@semcog.org

If you have any questions regarding the Data Sharing Agreement or would like to make edits to the document, please contact Therese Empie (<a href="mailto:empiet@michigan.gov">empiet@michigan.gov</a>).

The next phase of the pilot will be to identify database system requirements with feedback from the regions and local experts. By April 2018 a report will be delivered to the Governor detailing:

- A framework for asset management across the state of Michigan,
- lessons learned from the pilot,
- barriers and solutions for common issues,
- and a recommended plan for state-wide implementation.

#### **Data Request Packet Documents**

Please use the following links to access the data request packet documents:

Full Data Request Packet (PDF):

Data Request Packet.pdf

FAQ (Word Document):

Frequently Asked Questions.doc

Drinking Water (Excel):

Drinking Water Data Request Workbook.xlsx

Storm Water (Excel):

Storm Water Data Request Workbook.xlsx

Transportation (Excel):

Transportation Data Request Workbook.xlsx

Wastewater (Excel):

Wastewater Data Request Workbook.xlsx

Data Sharing Agreement (Word Document):

Data Sharing Agreement.doc

## Michigan Infrastructure Council Structure

The vision of the 21st Century Infrastructure Commission, as well as the Governor, is that once the Pilot is complete, a statewide infrastructure council would receive the pilot recommendations and construct a statewide asset management system. Research in other states across the US, has validated that a holistically managed statewide infrastructure council does not exist. However, locations such as Ontario, Australia and London do have successful experiences in provincial-wide infrastructure management and planning. One of these key examples is the responsibilities and functions a statewide council should focus on, including developing consistent asset management standards, performance objectives, and the development of a 30-year strategy, with five-year incremental updates, to ensure long-term relevance and sustainability.

As a result, a bill creating the Michigan Infrastructure Council has been drafted and is expected to be introduced this fall.

The Council would bring together policy experts, utility and infrastructure owners, regional representatives, finance experts, as well as state departments including MDOT, DEQ, Treasury, and DTMB. Additional members of the council would include the chairs of current and future entities of the Michigan Public Services Commission (MPSC), the Transportation Asset Management Council (TAMC) and the newly created Water Asset Management Council, (WAMC – to be codified), and the Michigan Consortium of Advanced Networks (MCAN, to be created via Executive Order).

Core responsibilities of the council will be based on a phased approach. Phase one, over the first three years, would create a statewide asset management system to:

- Develop performance and condition goals,
- coordinate with TAMC, WAMC, and MPSC,
- identify regional processes,
- set standardized asset management components,
- identify needed education and training to allow for greater participation and better sustain in the system,
- create a potential center of excellence for infrastructure that provides research and identifies best practices,
- and report results annually.

Phase two, beginning with year four, the council will look at how to evolve a future statewide data base system to include predictive analytics and transparency through dashboard capabilities.

## **Funding**

Included in the FY18 enacted budget was \$35 million for the statewide Infrastructure Fund. Allocations for this fund will need to be approved through the legislative process this fall and will be based on 21st Century Infrastructure Commission recommendations and the Infrastructure Asset Management Pilot effort. Potential allocations include enhanced support for drinking water SAW funding,

and more robust data collection across assets. Additionally, the 21st Century Infrastructure Commission, and the pilot efforts so far have recognized that some of the greatest needs for data are around Michigan's water assets. Therefore, the funding is also targeted to set up a sister group to TAMC called the Water Asset Management Council (WAMC). Another potential recipient of funds would be the creation of the Michigan Consortium of Advanced Networks (MCAN) which will seek to bring broadband and cable providers together with the private sector, local leaders, community development leaders and academia to address broadband access and adoption issues across the state and provide potential opportunities for embracing emerging technology for enhanced service delivery at a state and local level,.

Decidedly, prioritization of long term infrastructure funding, specifically looking at how we manage asset management at the local level including funding for continued data collection, as well as key environmental initiatives statewide are current ongoing discussions at the Governor's office.

# Drinking Water Asset Management Program Requirements Coalesce with State Pilot Project

Starting January 1, 2018, all community water systems that serve more than 1,000 people shall have and implement their asset management programs (MAP) per Michigan's Safe Drinking Water Act. This public health act defines an AMP as a program that identifies the desired level of service at the lowest life cycle cost for rehabilitation, repairing, or replacing the assets associated with the waterworks system. The AMP items that need to be submitted to the Department of Environmental Quality (DEQ) for a drinking water system include the following components:

- Summary of the system used to maintain an inventory of assets.
- Summary describing the method used to assess the criticality of assets considering the likelihood and consequence of failure.
- A statement of level of service goals such as supplying an adequate quantity of safe drinking water to customers at all times.
- Capital improvement plan that identifies system needs for 5-year and 20-year planning periods.
- Summary detailing the funding structure and rate methodology that provides sufficient resources to implement the AMP such as, establishing a plan for closing the gap between current revenues and the true cost of service.

The intent is to allow flexibility so the AMP can be tailored to provide the most useful tool to the individual water supply. As the state moves forward with the asset management pilot project, the Michigan Infrastructure Council, and the Water Asset Management Council, the DEQ will work with these entities and experts to evaluate state requirements to help better serve community needs.

## **Meeting and Data Collection Updates:**

September 19, 2017 – SEMCOG Regional Pilot Meeting September 20, 2017 – West Michigan Regional Asset Management Pilot Meeting September 28, 2017 – SEMCOG University

Both the southeast SEMCOG and western GVMC regions conducted a series of roadshow meetings to (1) provide a high-level overview of the pilot project and vision of Michigan's future for infrastructure asset management, (2) provide guidance around the data collection process of the pilot program, and (3) inform the attendees of the asset data collection requirements.

Data request packets were developed and distributed, with details and procedures summarized at these meetings. Discussion highlighted the data collection approach and data upload process for each region. Specifically, local entities will be providing data by way of GIS shapefile or Geo-database containing the required assets & attributes listed in the data request Excel spreadsheets.

Generally, emphasis was placed on the fact that it was not expected that communities collect new data, or that significant effort on the part of the communities was required to convert the data to statewide asset attributes. It was, however, requested that communities who choose to leverage the Excel spreadsheets complete the worksheet to the best extent possible (realizing that all communities may not have all requested data), since a key goal of the pilot is to assess level of completeness and accuracy of data.

## **Meeting Update**

September 29, 2017 – Stakeholder Committee Meeting

A full agenda for the September meeting of the Stakeholder team included several engaging presentations.

Evan Pratt of Washtenaw County spoke about his fellowship in Australia and New Zealand which studied the similarities and differences with funding and asset management to Michigan, and what level of success was achieved. Key findings revealed that while these countries were 10-15 years ahead of us in asset management, they did have similar funding streams, as well as comparable infrastructure issues. Factors of success included more investment in training and tools, better partnership with planning and finance, and having an effective system that includes a feedback loop for improvement. An important facet was that asset management tied directly into community planning and was based upon the desired outcomes and levels of service of the community. Overall, some very beneficial best practices were introduced as potential long-term asset management strategies.

Marco Bruzzano from DTE Energy presented a private utilities update. He emphasized that better alignment between public and private entities across Michigan would result in less disruption to road users, as well as cost savings through enhanced project coordination and

communication between municipal and utility staff, and a more efficient permitting process.

A presentation from Gareth Lifton of KPMG informed the group about ISO 55000, the industry standard framework for asset management. Specific key elements distinguished ISO 55000 as a Management System which focuses on a broad suite of interconnected and integrated processes and methodologies covering all stages of an asset life cycle.

## Michigan Asset Management Pilot Video



Click on the above image to play the video.

## **Upcoming Meetings**

#### October 30

Advisory Board / Stakeholder Committee Meeting 1:00 p.m. – 4:00 p.m., Lansing, MI

## Reminder:

You can access applicable meeting notes, resources, and presentations on the MI Infrastructure Asset Management pilot SharePoint site. To set up an account contact Therese Empie at <a href="mailto:empieto.com/e

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